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Prime Minister's schedule, July 18

NIKKEI (Page 2) (Full)
July 19, 2007

08:48

Left Haneda Airport by ANA243.

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10:05

Arrived at Fukuoka Airport.

10:42

Delivers a campaign speech in front of the Tenjin Twin Building in Fukuoka.

11:25

Attended informal talks with various groups at the Hotel New Otani Hakata. Had lunch with his secretaries and others at a Tempura restaurant in the hotel.

13:24

Gave a campaign speech in front of JR Kokura Station in Kita-Kyushu.

14:19

Left the station by limited express, the Sonic No. 27.

15:36

Arrived at the JR Beppu Station.

15:45

Gave a speech on the site vacated by Kintetsu Department Store in Beppu, Oita.

16:48

Met with Oita assembly members at a hall in Oita.

17:16

Gave a speech in a shopping district.

19:07

Met Lower House member Seishiro Eto at Hita City Hall. Later, attended a speech meeting sponsored by the LDP Oita Prefectural Chapter.

21:04

Stayed at a hotel in Beppu. Stayed there.

4) US envoy delivers relief goods

NIHON KEIZAI (Page 38) (Full)
July 19, 2007

US Ambassador to Japan Thomas Schieffer meeting Niigata Governor Hirohiko Izumida at Niigata Airport yesterday told him that the US government will deliver relief supplies to the victims of the Niigata Chuetsu earthquake. US military aircraft reportedly delivered 100 portable air conditioning units and bottled water to the prefecture. Touching on Japan's assistance in the wake of Hurricane Katrina, Ambassador Schieffer indicated that the United States is pleased to give something back.

5) IAEA chief: "Full inspections are necessary to reactors in Japan" by dispatching safety experts to Japan

MAINICHI (Page 3) (Full)
July 19, 2007

Haruyuki Aikawa, Vienna

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International Atomic Energy Agency (IAEA) Director General Mohamed ElBaradei, currently visiting Malaysia, referred yesterday to the recent leak of radioactive water from a reactor of the Kashiwazaki-Kariwa nuclear power plant following the Chuetsu Offshore Earthquake on July 16: "We need to carry out full inspections of nuclear reactors in Japan, focusing on their structure and other details," adding: "The IAEA is ready to join" the planned accident investigation by the Nuclear and Industrial Safety Agency of Japan. Reuters and other news agencies reported on these remarks by IAEA chief. He is expected to dispatch security experts to Japan.

ElBaradei made this analysis: "The main cause seems to be that the earth tremor was far stronger than has been predicted." Upon saying that the reactors and the system of the power plant have not been damaged in the quake, he remarked: "It is important to learn a lesson about an earthquake."

6) DPRK "to disable its nuclear facilities possibly by end of year"

YOMIURI (Page 1) (Full)
July 19, 2007

Hiroaki Matsunaga, Masahiko Takekoshi

The chief delegates to the six-party talks on the North Korean nuclear issue gathered together at the Diaoyutai State Guest House in Beijing yesterday afternoon. Their session is to last for two days. In line with the February six-party agreement, they discussed how to facilitate the "next-stage steps" to follow the "first-stage steps," which included the shutdown of nuclear facilities in Yongbyon in North Korea and other issues. On the two major next-phase steps of a full declaration of all of North Korea's nuclear programs and the disablement of its nuclear facilities, according to an account by the South Korean side, North Korean Vice Foreign Minister Kim Kye Gwan, the North's chief negotiator in the six-party talks, indicated that he would think his country would be able to consider implementing those two steps by the end of the year if the conditions are met.

The United States aims to get the session this time to reach agreement on the implementation of the "next-phase steps" by the end of the year. How to set a specific timetable for that end in discussion at working groups is likely to come into focus from now on. However, discussion is bound to run into difficulties, given that in return for the implementation, the North is certain to make such demands as Japan and the US lifting their "hostile policy" toward it. Also, the North is likely to clash with other member countries over which programs should be declared and which nuclear facilities should be disabled.

South Korean chief delegate Chun Young Woo, director of the Office of the Diplomatic Policy of the Ministry of Foreign Affairs and Trade, told a press briefing after the session: "North Korea has indicated an intention to declare its nuclear programs and disable its nuclear facilities within the next five to six months."

US chief delegate Christopher Hill, assistant secretary of state, was noncommittal about whether agreement would be reached on the completion of the implementation by the end of the year, but he said that on the last day of the discussion today, China, the host of the session, would issue a chairman's statement, which is expected to

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include a goal date for the completion of the implementation, emphasizing, "We had a good discussion." On the question of when to hold a six-party foreign ministerial session, however, Hill revealed that it would be difficult to set a timetable for it during the discussion this time.

Hill also spoke of 950,000 tons of heavy fuel oil in additional aid to North Korea in return for the North to implement the next-phase steps and revealed that North Korea had a capacity to receive only 50,000 tons of oil per month. He also revealed an intention to consider alternative measures, such as repairing power plants, expanding the capacity to store heavy fuel oil and supplying electricity.

Meanwhile, Japan's chief negotiator Kenichiro Sasae, director-general of the Asian and Oceanian Affairs Bureau of the Foreign Ministry, during the session touched on the question of Japan's participation in aid to North Korea and said: "We hope our country will contribute to (the six-party talks) in a way to resolve the pending issues between Japan and North Korea and improve bilateral ties." He reiterated the government's previous policy of not taking part in the aid program for the North without any progress on the abduction issue.

7) Japan proposes resuming working group talks with North Korea

NIKKEI (Page 2) (Excerpts)
July 19, 2007

Manabu Shimada, Beijing

In the first-day meeting of chief delegates to the six-party talks on July 18, Foreign Ministry Asian and Oceanian Affairs Bureau Director General Kenichiro Sasae reiterated Japan's policy of first seeking a resolution of the abduction issue as a precondition for aid to North Korea. Sasae said: "I hope that Japan and North Korea first will step up efforts to improve their ties by resolving their pending issues, enabling Japan to positively contribute to the six-party framework." He also proposed the two countries resume talks of the Japan-North Korea working group on normalization of diplomatic ties, which were suspended in March, prior to the next foreign ministerial session of the six-party talks scheduled for September.

Sasae did not use the word "abduction." Meanwhile, North Korea stopped short of criticizing Japan in the meeting yesterday, though it has attacked the Japanese government recently over its stance, linking it also with Japan's move to auction off the land and building of the headquarters of the General Association of Korean Residents in Japan (Chongryon). Without conducting heated debate, both sides have apparently given priority to bringing about progress in the talks.

Sasae said that he and Vice Foreign Minister Kim Kye Gwan, North Korea's chief negotiator, met briefly after the meeting. The brief contact reportedly was "only a greeting." According to a source accompanying Sasae, they exchanged a few words and shook hands. Japan is hopeful for an opportunity to hold a separate meeting with North Korea in Beijing to urge it to resume bilateral working group talks.

In the six-party talks, North Korea indicated a positive stance

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about implementing the next steps toward denuclearization. In response, the negotiators exchanged views on the provision of fuel oil to the North.

Once talks start on specific aid to North Korea, Japan will find itself in a difficult situation for its stance of maintaining the policy of offering no energy aid before progress on the abduction issue. Other countries concerned might see Japan, eager to settle only the abduction issue, as being negative about North Korea's denuclearization.

8-1) Bilateral talks between Japan, DPRK unlikely to occur for time

being

YOMIURI (Page 2) (Full)
July 19, 2007

Hiroaki Matsunaga, Beijing

The Japanese government wants to obtain understanding about the importance of the abduction issue from other six-party members during the ongoing session of the chief delegates to the six-party talks. But North Korea has yet to show any sign of responding to direct dialogue with Japan. Japan, which wants both the nuclear and abduction issues to advance together, has no choice but to wait at present.

"They should know what the pending issue between Japan and North Korea implies," Japan's chief delegate to the six-party talks, Kenichiro Sasae, director-general of the Asian and Oceanian Affairs Bureau of Japan's Foreign Ministry, said, albeit indirectly, during the session yesterday to other countries about how important the abduction issue was for Japan. He thus again emphasized Japan's policy of not participating in aid to North Korea without any progress on the abduction issue.

During the same session, however, North Korean Vice Foreign Minister Kim Kye Gwan, the North's chief delegate to the six-party talks, never referred to Japan-North Korea relations. Sasae sat next to Kim. After the session, the two exchanged greetings, shaking hands, but, "They only exchanged greetings or the like," one Japanese government official said.

North Korea has reiterated through its media that the abduction issue has been already settled, aiming strong language at Prime Minister Abe, who wants to resolve the abduction issue.

Analyzing these moves by North Korea, a senior Japanese Foreign Ministry official said: "Because they are in a difficult situation, they are making noise." Japan has firmly upheld its basic policy of pursuing both dialogue and pressure. In fact, Japan will not take part in aid programs, such as provision of heavy fuel oil to the North as agreed on in the earlier six-party talks, unless the abduction issue makes progress.

8-2) Sasae in six-party talks: Japan will provide aid if abduction issue moves forward

TOKYO SHIMBUN (Page 2) (Full)
July 19, 2007

Yuji Hiraiwa, Beijing

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In the first-day meeting of chief delegates to the six-party talks on July 18, Foreign Ministry's Asian and Oceanian Affairs bureau Director General Kenichiro Sasae stated: "Japan will participate in economic and energy aid (to North Korea) if Japan and North Korea resolve their pending issues and improve bilateral ties." He thus indicated Japan's willingness to provide the North with aid in return for its implementation of the first step toward disarmament.

Some delegates also made remarks calling for improvement in relations between Japan and North Korea, but Vice Foreign Minister Kim Gye Gwan, North Korean chief negotiator, reportedly made no remarks related to Japan.

Sasae met with delegates from China and Russia separately at the Diaoyutai State Guesthouse on the morning of the same day. He also had "probing conversations," as said by a source of the Japanese delegation, with the chief negotiators of the United States and South Korea without sitting down, but there was no contact with North Korea.

Kim and Sasae sat next to each other during the meeting. They reportedly shook hands when the meeting ended and had a brief conversation without discussing any serious matters.

9) Fraud case involving Chongryon may be used as diplomatic card by DPRK

ASAHI (Page 7) (Full)
July 19, 2007

Nanae Kurashige, Beijing

The North Korean official media is intensifying its objection against Japan over the fraud case involving the property of the pro-Pyongyang General Association of Korean Residents in Japan (Chongryon) headquarters. Some expect that North Korea will take up this issue in six-party talks to use it as a fresh excuse to delay implementing specific measures for denuclearization.

On July 10, the Korean Central News Agency (KCNA) called the Abe administration the "Abe gang" and harshly stigmatized it, arguing, "A thoughtless clampdown against Chongryon would lead it to pay a heavy price." General Secretary Kim Jong Il in meeting with Chinese Foreign Minister Yang Jiechi on July 3 reportedly criticized Japan's handling of Chongryon.

Reacting to this, one senior Foreign Ministry official of Japan explained: "Chongryon serves in effect as a consular office of North Korea. Pyongyang is perhaps irritated by its inability to do anything about the investigations." Another Japanese government official concerned noted: "We injected a huge amount of taxpayers' money into (bankrupt Chogin credit unions) to protect depositors. Rather, I think it is a good opportunity to explain our action was fair law enforcement."

KCNA is increasingly trying to unsettle Japan. For instance, on July 15, it reported: "The future hinges on what action the United States and Japan will actually take to remove the hostile policy." One Japanese government official has taken this move as "implying that Japan as well as the US has become a country North Korea is most concerned about." But Japan is becoming nervous about the North's

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moves that could affect the progress of the six-party talks.

10) Japan to join International Criminal Court

MAINICHI (Page 2) (Full)
July 19, 2007

The government yesterday submitted to UN Secretary General Ban Ki Moon its instrument accepting the Rome Treaty that stipulates the establishment of the International Criminal Court (ICC), which prosecutes and punishes individuals who have committed humanitarian and war crimes based on international law. Japan will become the 105th country in October to join the international court.

The ICC is based in The Hague. The court prosecutes and punishes instead of countries concerned individuals who have committed genocide, crimes against humanity, war crimes, and crimes of incursion (undefined). Recently the ICC issued arrest warrants for Sudan's minister in charge of humanitarian affairs and senior militia organization officials in connection with the Darfur conflict. The court does not deal with the issue of abductions by North Korea, since it handles crimes committed after its establishment.

Japan was cautious about joining the ICC in consideration of the United States. However, under the lead of Prime Minister Shinzo Abe, who promotes value-driven diplomacy, including the rule of law, the government passed bills ratifying the Rome Treaty through the Diet in the latest regular session. Japan is expected to pay 3 billion yen per year, the largest amount among the member countries. Fumiko Saiga, ambassador in charge of human rights, will run in a by-election to fill the vacated judicial seat, which will take place in December.

11) US House of Representatives to take floor vote of wartime comfort-women resolution after Upper House election in Japan

ASAHI (Page 4) (Full)
July 19, 2007

Washington, Yoshisuke Komurata

There is a strong possibility that the full floor vote on the wartime comfort-women resolution by the US House of Representatives will be delayed until after the Upper House election in Japan on the 29th. The Washington Post on July 18 reported this comment by Congressman Mike Honda, the resolution's sponsor: "Out of consideration for Prime Minister Abe prior to the Upper House election, the House leaders have agreed to take a vote on the resolution after that election."

The Japanese side has been working strongly on the Congress, with Ambassador to the US Ryozo Kato sending letters to Speaker Pelosi and others stating, "If the resolution is adopted, it would have an adverse effect on Japan-US relations." Although the date for the floor vote in the House has not yet been set, since the House is scheduled to go into summer recess on August 4, the outlook for the floor vote reportedly is during the week of July 30. The resolution will most likely be adopted with the yays outweighing the nays in vote.

12) Online poll on Upper House election: 45 %of highly interested

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respondents will vote for DPJ

YOMIURI (Page 2) (Full)
July 19, 2007

Those who are highly interested in the July 29 House of Councillors Election and are eager to go to the polling stations are likely to vote for the Democratic Party of Japan (DPJ or Minshuto), according to the fifth opinion survey conducted by the Yomiuri Shimbun on July 18 of 1,000 Internet users. Among those who answered that they were extremely interested in the upcoming election and would go to the polling stations without fail, the rate of support for the DPJ was twice as high as that for the Liberal Democratic Party.

Some 72 %of respondents said that they were very interested in the Upper House election, an increase of 13 percentage points from the first poll in mid-June. Of them, 45 %said they would vote for the DPJ, 22 %for the LDP, 4 %each for the New Komeito and the Japanese Communist Party, and 2 %each for the Social Democratic Party, the People's New Party, and the New Party Nippon. Of those who are somewhat interested in the election, 27 %said they would vote for the DPJ and 21 %for the LDP.

A total of 77 %said they will cast their votes without fail on or before the voting day, and 19 %said they will go to the polling stations if they can. Of those who said they will go to the stations without fail, 43 %indicated that they will vote for the DPJ; 21 %for the LDP; 5 %for the New Komeito; 4 %for the JCP; and 2 %each for the SDP, the PNP, and the NPN. Of those who said they will vote if they can, 26 %picked the DPJ and 23 %the LDP.

13) Opinion survey of major political parties: LDP, New Komeito favor constitutional revision, DPJ withholds view

MAINICHI (Page 1) (Full)
July 19, 2007

The Mainichi Shimbun conducted an opinion survey of seven major political parties to find out their views on the Constitution and security policy. In response to a question on constitutional revision, "approval" or "conditional approval" came back from the Liberal Democratic Party, the New Komeito, and the People's New Party. The Democratic Party of Japan's (DPJ or Minshuto) answer was: "We will support it if it makes it better but will oppose it if it makes it worse." The Japanese Communist Party, the Social Democratic Party, and the New Party Nippon said "no" to constitutional revision.

The LDP has drafted a new constitution of its own, while the New Komeito is under discussion to add new ideas to the Constitution. The LDP is also eager to revise Article 9, while the New Komeito thinks it should be left intact.

Views were also split between the two ruling parties over the question of allowing the country to exercise the right to collective self-defense, which is now being studied by a blue-ribbon panel under Prime Minister Shinzo Abe. The LDP aims to open the door for the right, whereas the New Komeito is reluctant to do so.

The major opposition DPJ's answer to the question on collective defense was that it should be discussed on a case-by-case basis. The DPJ is apparently more positive than the New Komeito toward

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exercising that right. The DPJ also in its response on Article 9, mentioned that brakes should be included in the Constitution, withholding its clear position.

The parties opposing constitutional revision were not monolithic, either. The JCP for instance answered that Japan should completely implement all clauses in the Constitution. The SDP's answer was: "We will not deny constitutional revision if that is what the people want, but we will definitely oppose the LDP's plan which is designed to make changes for the worse."

14) Shuzen Tanigawa, LDP candidate for Upper House race, urges Abe to sack Agriculture Minister Akagi

MAINICHI (Page 2) (Full)
July 19, 2007

Shuzen Tanigawa, 73, a candidate on the ticket of the ruling Liberal Democratic Party (LDP) for the Osaka prefectural district in the July 29 House of Councillors election, revealed in a speech on July 17 that he had asked Prime Minister Shinzo Abe to dismiss Agriculture, Forestry and Fisheries Minister Norihiko Akagi over a political fund scandal involving his political management organization. Increasingly alarmed by adverse wind toward the LDP, Tanigawa apparently expressed dissatisfaction with Akagi.

In his speech, the 73-year-old politician clarified that he had told Abe on July 14 when the prime minister gave a campaign speech for Tanigawa:

"If you don't dismiss Akagi as soon as possible, we won't be able to fight in the election. If he does not step down, we will lose the race. It is important for politicians to decide whether to resign by themselves."

Tanigawa also criticized Akagi, who appeared with a bandaged face before reporters after a cabinet meeting on July 17, for failing to explain the reason for his face, just saying, "Nothing wrong about this." He said:

"What's wrong with him? Don't you think that's strange? A politician is a public figure. Voters gave him their precious ballots to represent them. He should have offered sufficient explanations to the public."

15) Prime Minister Abe excludes Kochi from campaign trail schedule

YOMIURI (Page 4) (Full)
July 19, 2007

It was revealed yesterday that Prime Minister Shinzo Abe would not visit Kochi Prefecture, although he had planned to set out on a stumping tour of the Shikoku area on July 20 for the July 29 House of Councillors election. According to a senior member of the ruling Liberal Democratic Party (LDP), the reason is likely that Abe will be taking revenge on Kohei Tamura, a candidate on the LDP's ticket in the Kochi prefectural district, who criticized Abe's policy of creating "a beautiful country."

Abe initially planned to visit Kochi on the 21st after stumping in

the prefectures of Tokushima, Kagawa, and Ehime on the 20th. Tamura said in a speech on the 16th in Kochi:

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"I would feel like a fool if the prime minister came to give campaign speeches in which he plays up his policy of creating a beautiful country, a picture that he created in his mind."

16) WTO talks: Japan to call for revision of chairman's proposal, saying, "It is unacceptable"

YOMIURI (Page 11) (Full)
July 19, 2007

The chairmen of the agricultural committee and the mined and manufactured products committee on July 17 presented new proposals during the multilateral trade talks (Doha Round) at the World Trade Organization. The Japanese government released this comment yesterday: "The proposals are unacceptable in their present state." Japan is taking a stance of seeking revisions. The United States Trade Representative (USTR) also was cautious about the proposals, saying, "The proposals will require a detailed analysis." The talks will move into full swing starting in September, based on the chairmen's proposals. However, whether they will bring progress to the talks amid growing opposition among member nations is unclear.

Key items cut back

Issuing a joint comment on the chairman's proposal, four ministries, including the Ministry of Agriculture, Forest and Fisheries (MAFF) and the Ministry of Economy, Trade and Industry (METI) underscored, "We will seek revisions wherever necessary through talks to be held starting next week."

Japan is most dissatisfied with a proposal limiting the ratio of key agricultural items eligible for exceptionally high tariffs to 4 % or 6 % of all levied trade items.

If these rates are applied to Japan, the number of key items allowed to Japan will be either 40 or 60. The proposal is extremely harsh for Japan now has more than 200 high-tariff items, such as rice, sugar and dairy products, a senior MAFF official explained. A proposal for a ceiling tariff system of constraining tariffs on agricultural products below a certain level, which Japan has been opposing, was not included in the package. However, a clause mandating countries with many high-tariff items, such as Japan, to import those items with low tariffs has been included.

France also opposing chairman's proposal

The chairman's proposal has also urged the US to reduce agricultural subsidies for domestic farmers either to 13 billion dollars or to 16.4 billion dollars. However, the US has only indicated readiness to give in to a cut to 17 billion dollars. With the presidential election next year, whether it can make a concession is in a delicate situation.

The EU has not yet issued an official comment. However, the chairman's proposal seeks tariff cuts in high-tariff products 60 % larger than the level the EU proposed. Chances are that if France, which attaches importance to protecting domestic agriculture, opposes the proposal, coordination of views within the EU could take time.

Industrialized countries unhappy

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The number of developing countries' trade items whose tariffs will actually be lowered from the present level under the chairman's proposal on mined and manufactured products will be no more than 40 % of all trade items, which is smaller than 45.6 % as proposed by Japan, the US and the EU. METI intends to seek expansion in the

scope of tariff cuts by developing countries, noting that it would be meaningless unless tariff cuts lead to substantive trade expansion.

SCHIEFFER